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9 April 1946

MEMORANDUM FOR CHIEF, CENTRAL PLANNING STAFF
STATSPEC

SUBJECT: [REDACTED]

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1. At a Policy and Review meeting held on 3 April, 1946, the matter of the disposition of [REDACTED] was discussed by Colonel Nicholas, Colonel [REDACTED] and Colonel [REDACTED] of the C.P.S. and certain questions were raised which could not be answered without further inquiry.

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2. In order to clarify certain phases of the problem and to facilitate the preparation of recommendations, the Steering Member of the ad hoc committee on [REDACTED] obtained answers to questions as follows:-

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a. Question: "If the [REDACTED] activity were to be transferred to another department—or to C.I.G.—what facilities, personnel, and equipment would be transferred and what other facilities, equipment, etc. would be required to operate it?"

Answer:

"At the present time [REDACTED] is a complete going concern. [REDACTED]"

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and it could readily be turned over—as a complete unit." (Colonel [REDACTED] Deputy Chief, M.I.S.).

b. Question: "In the event that State Department (R & I) were required to operate [REDACTED] could State Department (R & I) do it?"

Answer:

"The Department of State can operate [REDACTED] if:-
(1) funds for operation during the fiscal year 1947 are provided by the War Department;
(2) the Office of Research and Intelligence in the Department of State continues to be organized as a central intelligence facility for the Department, as at present; and
(3) the Congress makes available to the Department of State the approximately [REDACTED] requested to finance the Department's intelligence program during the fiscal year 1947." (John D. Corcoran, Asst. to Mr. McCormack).

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- c. Question: "In the event that Navy Department (ONI) were required to operate [redacted] could Navy Department (ONI) do it?"
- Answer: "Navy Department (ONI) could operate [redacted] if funds and personnel were available, but:-
- (1) Navy Department (ONI) is not willing to take over present [redacted] personnel;
- (2) Navy Department has no personnel available to operate [redacted] nor is any provided for in post-war Navy plans;
- (3) Navy Department has no funds in 1947 Budget to permit its operating [redacted]"
- (Captain A. G. J. Sabalot).

- d. Question: "In the event that G-2 were required to continue to operate [redacted] could G-2 do it?"
- Answer: "At the present time G-2 is maintaining operational control only over [redacted]. Since G-2 has no supply of administrative organization capable of handling [redacted], these responsibilities are not under G-2 control. If required to do so, the present degree of operation control could be continued by G-2. However, since G-2 is not fully informed of the other Departmental needs for [redacted] material, operational decisions affecting this material have been pointed mainly toward satisfying G-2 needs rather than the needs of others. It is doubtful that unilateral action by G-2 could correct this situation.

If G-2 were expected to do more than maintain operational control, that is to say, also be responsible for supply and administration of FBIS, then G-2 would require new and additional staff sections rather than a mere expansion of existing organization within MID. Therefore, it is anticipated that were G-2 given full responsibility for operating [redacted] integration of [redacted] into MID would be required, and would necessitate a closing down of [redacted] operations for some months during the time it was being militarized."

(Colonel Carter W. Clarke, Deputy Chief, MIS).

- e. Question: "What budgetary and administrative arrangements are necessary to have another department, or the C.I.O., take over [redacted] from G-2, War Department?"
- Answer: "Appropriation now included in War Department Budget Estimate as presented to Congress—if allowed—can be transferred, along with administrative set-up, from War Department to any other federal agency by agreement between Secretary of War and Chief of the other federal agency and approval by the Director of the Budget; this requiring no Congressional action." (Conference with Col. Harris.)

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Discussion:

1. In the foregoing Answers to Questions, several items appear to be subject to deletion as being gratuitous statements germane to the Questions as asked, for example: items (2) and (3) of State Department answer under 2.b.; that portion from * to the end, of G-2 answer under 2.d.

2. Recommend early meeting of "Hatchet Board" which adjourned its last meeting sine die to await answers to Questions as above.

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Colonel, Air Corps
Steering Member, ad hoc Committee

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